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1995-2000

U.S. Market Analysis Program

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U.S. Market Forecast Compendium

1995-2000

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INPUT Worldwide

Frankfurt
Perchstatten 16
D-35428
Langgöns
Germany
Tel. +49 (0) 6403 911 420
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London
Cornwall House
55-77 High Street
Slough, Berkshire
SL1 1DZ, England
Tel. +44 (0)1753 530444
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New York
400 Frank W. Burr Blvd.
Teaneck, NJ 07666-6810
U.S.A.
Tel. 1 (201) 801-0050
Fax 1 (201) 801-0441

Paris
24, avenue du Recteur Poincaré
75016 Paris
France
Tel. +33 (1) 46 47 65 65
Fax +33 (1) 46 47 69 50

San Francisco
1881 Landings Drive
Mountain View
CA 94043-0848
U.S.A.
Tel. 1 (415) 961-3300
Fax 1 (415) 961-3966

Tokyo
6F#B, Mitoshiro Bldg.
1-12-12, Uchikanda
Chiyoda-ku, Tokyo 101
Japan
Tel. +81 3 3219-5441
Fax +81 3 3219-5443

Washington, D.C.
1921 Gallows Road
Suite 250
Vienna, VA 22182-3900
U.S.A.
Tel. 1 (703) 847-6870
Fax 1 (703) 847-6872

Published by
INPUT
1881 Landings Drive
Mountain View, CA 94043-0848
United States of America

U.S. Information Services Market Analysis

U.S. Market Forecast Compendium, 1995-2000

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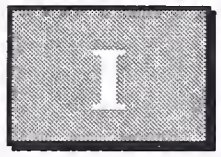

Introduction

A Objective

This report, the *U.S. Market Forecast Compendium, 1995-2000*, is a compilation of all 1995 forecasts by market sector and product/service category. These forecasts represent the state of the market at the time all forecasts were completed (in 4Q95), but later industry or product/service market segment publications may contain updated forecasts for their specific market segments.

The increasing size and complexity of the U.S. information services industry requires that a single source of forecast data, this *Compendium*, be provided to INPUT clients so that they may have easy access to the complete set of INPUT's market projections. For the period 1994-2000, INPUT has provided the actual market size for 1994 and forecasts for the years 1995-2000, for eight product/service categories, 15 vertical industry sectors and seven cross-industry sectors.

- Product/Service Categories—The eight product/service category forecasts each include appropriate submodes—for example, the systems software products category includes three submodes (systems control, application development tools and operations management tools), and the market for each of these is projected for three platform types (mainframe, minicomputer and workstation/PC).

- Vertical Industry—The 15 vertical industry sectors each contain forecasts for the following product/service categories: professional services, systems integration, outsourcing, processing services, network services, applications software products and network services.

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- Cross-Industry—The seven cross-industry sectors each contain forecasts for the processing services, turnkey systems and applications software products product/service categories only.

B
Report Structure

1. Forecast Matrices

This report contains the forecast matrices for the product/service categories, industries and cross-industries noted above. Each matrix provides the 1994 actual market size, and the 1995 through 2000 forecasts of market size for the measured entity. Dollars are presented in millions, and 1994 to 1995 growth percentages are provided. Compound annual growth rates (CAGR) are indicated for the 1995 through 2000 forecasts.

2. Report Chapters

The balance of this report is organized as follows:

- Chapter II contains summary forecasts for the information services industry as a whole.
- Chapter III contains the forecasts for each of the eight product/service categories.
- Chapter IV contains the forecasts for each of the 15 vertical industry sectors.
- Chapter V contains the forecasts for each of the seven cross-industry sectors.

Note that the Table of Contents lists only the chapter headings and the Exhibits list gives the order in which the forecasts appear in that chapter.

C
Definitions

The user of this forecast compendium is referred to INPUT's 1995 *Definition of Terms* document for clarification of any product/service category or market sector terminology. That document offers definitions and explanations of all product/service category and industry-specific terms used by INPUT in preparing its market analyses and forecasts.

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D
Methodology

Much of the data on which each report, and this compendium, is based was gathered during late 1994 and 1995 as part of INPUT's ongoing market analysis program. Market sizes and growth rates are based upon INPUT research and in-depth interviews with users in each industry and the IS vendors serving that industry.

1. Financial Data

It must be noted that vendors may be unwilling to provide detailed revenue information by product/service category or industry. Also, vendors often use different categories of industries and industry segments, or view their services as falling into different product/service categories from those used by INPUT. Thus, INPUT must estimate revenues for these categories on a best-effort basis. For this reason, the product/service category and individual segment forecasts should be viewed as indicators of general patterns and trends rather than specific, detailed estimates for individual years.

2. Rounding

In a few instances, subtotals may not add to indicated totals due to rounding during calculations. Such differences will generally not be greater than one in the units (low-order) position of a number.

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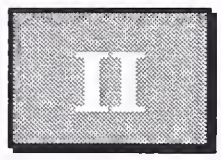

U.S. Information Services Industry Forecast

This chapter contains the summary forecasts for the U.S. information services industry for the period 1995-2000. Each forecast is presented in greater detail in the product/service category, industry and cross-industry sector chapters.

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Exhibit II-1

Information Services
U.S. Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total U.S. Market	**154,026**	**13%**	**173,348**	**195,908**	**221,976**	**251,748**	**286,947**	**328,419**	**14%**
Professional Services	23,101	13%	26,184	29,427	33,332	37,619	42,481	47,898	13%
- IS Consulting	5,982	16%	6,950	7,986	9,234	10,675	12,312	14,192	15%
- Education & Training	3,492	12%	3,915	4,402	4,957	5,583	6,296	7,114	13%
- Software Development	13,627	12%	15,319	17,039	19,141	21,361	23,873	26,592	12%
Systems Integration	11,235	11%	12,417	14,639	16,849	19,366	22,252	25,578	16%
- Equipment	5,067	9%	5,514	6,562	7,422	8,376	9,407	10,589	14%
- Software Products	899	11%	1,002	1,202	1,372	1,563	1,790	2,055	15%
- Professional Services	4,849	12%	5,429	6,307	7,414	8,704	10,231	11,999	17%
- Other	420	12%	472	568	641	723	824	935	15%
Outsourcing	15,740	19%	18,664	21,785	25,619	30,170	35,651	42,297	18%
- Platform Operations	4,542	12%	5,083	5,639	6,283	6,951	7,645	8,404	11%
- Applications Operations	6,353	21%	7,668	8,878	10,329	12,003	13,961	16,234	16%
- Desktop Services	1,802	22%	2,192	2,686	3,315	4,092	5,080	6,322	24%
- Network Management	1,737	22%	2,117	2,603	3,224	4,031	5,065	6,382	25%
- Application Management	703	20%	841	1,004	1,203	1,439	1,725	2,072	20%
- Business Operations	603	27%	763	975	1,265	1,654	2,175	2,883	30%
Processing Services	23,415	9%	25,425	27,538	29,921	32,452	35,331	38,506	9%
- Transaction Processing	18,320	7%	19,581	20,877	22,310	23,746	25,351	27,056	7%
- Utility Processing	1,085	4%	1,132	1,171	1,211	1,251	1,290	1,325	3%
- Other Processing	4,010	18%	4,712	5,490	6,400	7,455	8,690	10,125	17%
Network Services	13,906	17%	16,235	19,137	22,732	26,977	32,193	38,479	19%
- Electronic Information Svcs	11,210	17%	13,068	15,419	18,268	21,609	25,652	30,481	18%
- Network Applications	2,696	17%	3,167	3,718	4,464	5,368	6,541	7,998	20%
Applications SW Products	28,003	15%	32,111	36,998	42,724	49,451	57,642	67,655	16%
- Mainframe	5,907	7%	6,305	6,734	7,171	7,615	8,093	8,639	7%
- Minicomputer	6,904	9%	7,517	8,179	8,864	9,583	10,379	11,257	8%
- Workstation/PC	15,192	20%	18,289	22,085	26,689	32,253	39,170	47,759	21%
Systems SW Products	23,845	10%	26,212	28,753	31,618	34,876	38,735	43,290	11%
- Mainframe	9,475	2%	9,688	9,798	9,810	9,744	9,685	9,584	0%
- Minicomputer	7,591	8%	8,235	8,922	9,699	10,578	11,627	12,820	9%
- Workstation/PC	6,779	22%	8,289	10,033	12,109	14,554	17,423	20,886	20%
Turnkey Systems	14,781	9%	16,100	17,631	19,181	20,837	22,662	24,716	9%
- Equipment	6,152	6%	6,516	6,946	7,333	7,736	8,167	8,631	6%
- Software Products	5,685	10%	6,245	6,873	7,539	8,247	9,011	9,852	10%
- Professional Services	2,944	13%	3,339	3,812	4,309	4,854	5,484	6,233	13%

Source: INPUT

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Exhibit II-2

Information Services

U.S. Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total U.S. Market	**154,026**	**13%**	**173,348**	**195,908**	**221,976**	**251,748**	**286,947**	**328,419**	**14%**
Total Industry Sectors	118,871	13%	133,895	151,529	171,912	195,156	222,575	254,884	14%
Banking and Finance	16,711	12%	18,763	20,969	23,467	26,256	29,447	33,030	12%
Business Services	5,983	11%	6,628	7,402	8,304	9,285	10,505	12,026	13%
Discrete Manufacturing	17,174	15%	19,669	22,807	26,681	31,340	36,829	43,518	17%
Education	2,325	13%	2,626	2,974	3,365	3,823	4,353	4,961	14%
Federal Government	10,963	5%	11,537	12,677	13,631	14,465	15,394	16,461	7%
Health Services	6,167	11%	6,873	7,710	8,715	9,920	11,340	12,975	14%
Insurance	5,982	12%	6,671	7,526	8,528	9,642	10,940	12,444	13%
Miscellaneous	1,424	8%	1,538	1,656	1,796	1,935	2,106	2,289	8%
Process Manufacturing	8,568	14%	9,795	11,219	12,869	14,781	17,027	19,625	15%
Retail Trade	3,159	14%	3,610	4,176	4,857	5,649	6,610	7,780	17%
State and Local Gov't	8,078	15%	9,327	10,750	12,406	14,320	16,633	19,296	16%
Telecommunications	4,864	19%	5,789	6,913	8,331	10,084	12,259	14,945	21%
Transportation	4,710	17%	5,509	6,061	6,698	7,364	8,155	9,094	11%
Utilities	1,987	16%	2,295	2,626	2,992	3,395	3,841	4,342	14%
Wholesale Trade	3,190	13%	3,594	4,058	4,602	5,264	6,064	7,052	14%
Total Cross-Industry	17,586	12%	19,671	22,005	24,670	27,633	31,072	35,046	12%
Total Other Markets	11,310	17%	13,241	15,626	18,446	21,716	25,637	30,245	18%
Other Network Services	6,215	19%	7,397	8,965	10,835	13,010	15,657	18,795	21%
- On-Line Data Bases	4,005	18%	4,710	5,700	6,890	8,275	9,975	11,990	21%
- On-line News Services	2,210	22%	2,687	3,265	3,945	4,735	5,682	6,805	20%
Other Processing Svcs	5,095	15%	5,844	6,661	7,611	8,706	9,980	11,450	14%
- Processing Svcs-Utility	1,085	4%	1,132	1,171	1,211	1,251	1,290	1,325	3%
- Processing Svcs-Other	4,010	18%	4,712	5,490	6,400	7,455	8,690	10,125	17%
Systems SW Products	23,845	10%	26,212	28,753	31,618	34,876	38,735	43,290	11%

Source: INPUT

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Exhibit II-3

Cross-Industry

U.S. Market Size by Cross-Industry Sector, 1994-2000

CROSS-INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total Cross-Industry	**17,586**	**12%**	**19,671**	**22,005**	**24,670**	**27,633**	**31,072**	**35,046**	**12%**
Accounting	3,981	11%	4,420	4,936	5,559	6,286	7,157	8,222	13%
Education & Training	443	12%	497	555	628	716	822	946	14%
Engineering & Scientific	1,200	10%	1,317	1,449	1,598	1,777	1,981	2,231	11%
Human Resources	3,801	9%	4,156	4,509	4,897	5,258	5,638	6,052	8%
Office Systems	3,799	15%	4,360	5,058	5,847	6,737	7,838	9,037	16%
Planning & Analysis	2,987	16%	3,460	3,945	4,495	5,117	5,790	6,610	14%
Sales & Marketing	1,375	6%	1,461	1,553	1,646	1,742	1,846	1,948	6%

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III

Product/Service Category Forecast

This chapter presents the market forecasts for each of the eight product/service categories used by INPUT to define the U.S. information services industry. For additional details, including reconciliations, industry trends, and INPUT's competitive and forecast analysis, please refer to the appropriate product/service category report.

The product/service forecasts contained in this chapter are presented in the following order:

- Professional Services
- Systems Integration
- Outsourcing
- Processing Services
- Network Services
- Systems Software Products
- Applications Software Products
- Turnkey Systems

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Exhibit III-1

Professional Services

Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**23,101**	**13%**	**26,184**	**29,427**	**33,332**	**37,619**	**42,481**	**47,898**	**13%**
Banking and Finance	2,925	11%	3,257	3,554	3,862	4,185	4,542	4,926	9%
Business Services	387	11%	430	474	525	572	619	670	9%
Discrete Manufacturing	5,935	13%	6,683	7,573	8,691	9,931	11,255	12,703	14%
Education	100	16%	116	132	152	174	197	223	14%
Federal Government	2,315	13%	2,606	2,735	2,990	3,222	3,470	3,758	8%
Health Services	307	15%	352	403	466	539	620	703	15%
Insurance	1,765	9%	1,918	2,096	2,293	2,487	2,704	2,942	9%
Miscellaneous	158	10%	174	190	208	225	242	259	8%
Process Manufacturing	2,957	15%	3,407	3,897	4,455	5,068	5,761	6,490	14%
Retail Trade	269	12%	301	330	364	393	422	452	8%
State and Local Gov't	3,271	14%	3,737	4,237	4,781	5,367	6,072	6,801	13%
Telecommunications	1,546	22%	1,884	2,319	2,880	3,600	4,514	5,680	25%
Transportation	298	11%	332	367	401	438	475	517	9%
Utilities	420	17%	493	577	669	774	897	1,036	16%
Wholesale Trade	448	10%	494	543	595	644	691	738	8%

Source: INPUT

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Exhibit III-2

Systems Integration

Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**11,235**	**11%**	**12,417**	**14,639**	**16,849**	**19,366**	**22,252**	**25,578**	**16%**
Banking and Finance	719	19%	859	1,028	1,242	1,500	1,817	2,147	20%
Business Services	296	22%	362	448	549	675	826	1,008	23%
Discrete Manufacturing	1,953	17%	2,285	2,800	3,396	4,124	4,910	5,846	21%
Education	138	20%	165	198	231	266	305	344	16%
Federal Government	3,641	-2%	3,556	4,143	4,438	4,704	4,997	5,335	8%
Health Services	369	20%	441	522	623	745	889	1,067	19%
Insurance	298	17%	349	411	485	565	666	782	18%
Miscellaneous	11	18%	13	15	20	22	25	31	19%
Process Manufacturing	514	13%	580	675	774	879	1,019	1,181	15%
Retail Trade	501	17%	586	680	789	916	1,059	1,218	16%
State and Local Gov't	1,197	12%	1,346	1,517	1,720	1,955	2,208	2,480	13%
Telecommunications	373	25%	466	586	734	919	1,153	1,443	25%
Transportation	270	19%	320	380	448	520	605	706	17%
Utilities	709	14%	805	910	1,027	1,150	1,285	1,430	12%
Wholesale Trade	246	15%	284	326	373	426	488	560	15%

Source: INPUT

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Exhibit III-3

Outsourcing

Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**15,740**	**19%**	**18,664**	**21,785**	**25,619**	**30,170**	**35,651**	**42,297**	**18%**
Banking and Finance	3,684	18%	4,341	5,131	6,070	7,203	8,538	10,158	19%
Business Services	296	20%	355	424	508	599	712	849	19%
Discrete Manufacturing	1,258	20%	1,505	1,808	2,182	2,641	3,206	3,904	21%
Education	359	19%	427	507	598	705	832	980	18%
Federal Government	1,515	8%	1,635	1,683	1,813	1,924	2,038	2,165	6%
Health Services	1,586	12%	1,781	2,028	2,349	2,764	3,245	3,839	17%
Insurance	1,778	15%	2,045	2,385	2,792	3,268	3,830	4,485	17%
Miscellaneous	28	14%	32	37	44	51	61	72	18%
Process Manufacturing	1,234	18%	1,457	1,723	2,038	2,408	2,845	3,354	18%
Retail Trade	600	22%	730	912	1,136	1,397	1,739	2,170	24%
State and Local Gov't	2,534	19%	3,018	3,609	4,328	5,203	6,304	7,664	20%
Telecommunications	104	17%	122	139	162	188	217	254	16%
Transportation	354	100%	708	790	880	972	1,097	1,244	12%
Utilities	99	52%	150	194	240	294	348	418	23%
Wholesale Trade	311	15%	358	415	479	553	639	741	16%

Source: INPUT

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Exhibit III-4

Processing Services

Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**23,415**	**9%**	**25,425**	**27,538**	**29,921**	**32,452**	**35,331**	**38,506**	**9%**
Banking and Finance	4,490	9%	4,880	5,280	5,700	6,122	6,580	7,006	8%
Business Services	1,755	2%	1,790	1,820	1,855	1,883	1,925	1,970	2%
Discrete Manufacturing	910	3%	940	966	994	1,021	1,046	1,071	3%
Education	215	3%	221	226	231	235	238	241	2%
Federal Government	108	2%	110	107	105	101	104	108	0%
Health Services	575	4%	596	617	638	660	683	700	3%
Insurance	406	4%	424	447	474	499	525	545	5%
Miscellaneous	133	-2%	131	128	125	123	121	119	-2%
Process Manufacturing	810	4%	840	871	900	929	955	978	3%
Retail Trade	200	6%	211	223	236	251	267	286	6%
State and Local Gov't	402	12%	452	505	565	630	705	790	12%
Telecommunications	1,397	16%	1,622	1,880	2,197	2,574	3,024	3,555	17%
Transportation	2,395	6%	2,550	2,705	2,875	3,015	3,175	3,350	6%
Utilities	305	11%	339	377	420	467	520	573	11%
Wholesale Trade	340	4%	352	362	372	380	386	392	2%
Total Cross-Industry	3,879	6%	4,123	4,363	4,623	4,856	5,097	5,372	5%
Other Markets	5,095	15%	5,844	6,661	7,611	8,706	9,980	11,450	14%
- Processing Svcs-Utility	1,085	4%	1,132	1,171	1,211	1,251	1,290	1,325	3%
- Processing Svcs-Other	4,010	18%	4,712	5,490	6,400	7,455	8,690	10,125	17%
Cross-Industry Summary									
Accounting	158	-1%	156	154	152	150	148	146	-1%
Education & Training	4	0%	4	3	3	3	2	2	-13%
Engineering & Scientific	123	-5%	117	111	104	98	91	85	-6%
Human Resources	2,805	9%	3,050	3,290	3,555	3,795	4,045	4,325	7%
Office Systems	27	-4%	26	25	24	23	21	19	-6%
Planning & Analysis	147	-12%	130	115	100	87	75	65	-13%
Sales & Marketing	615	4%	640	665	685	700	715	730	3%
Total Cross-Industry	3,879	6%	4,123	4,363	4,623	4,856	5,097	5,372	5%

Source: INPUT

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Exhibit III-5

Network Services

Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**13,906**	**17%**	**16,235**	**19,137**	**22,732**	**26,977**	**32,193**	**38,479**	**19%**
Banking and Finance	1,038	14%	1,182	1,358	1,572	1,835	2,157	2,536	16%
Business Services	764	11%	848	945	1,079	1,245	1,450	1,700	15%
Discrete Manufacturing	159	21%	192	232	284	347	423	522	22%
Education	297	17%	348	407	475	560	661	782	18%
Federal Government	1,124	5%	1,178	1,191	1,273	1,320	1,391	1,472	5%
Health Services	791	16%	915	1,050	1,215	1,400	1,640	1,880	15%
Insurance	281	14%	319	365	420	481	556	643	15%
Miscellaneous	183	12%	205	233	265	292	325	361	12%
Process Manufacturing	1,305	17%	1,526	1,782	2,100	2,502	2,975	3,580	19%
Retail Trade	340	24%	420	535	682	874	1,120	1,434	28%
State and Local Gov't	184	21%	222	268	325	395	482	594	22%
Telecommunications	173	20%	208	250	304	369	450	554	22%
Transportation	506	19%	600	715	855	1,025	1,225	1,475	20%
Utilities	34	6%	36	40	44	49	53	57	10%
Wholesale Trade	512	25%	639	801	1,004	1,273	1,628	2,094	27%
Other Markets	6,215	19%	7,397	8,965	10,835	13,010	15,657	18,795	21%
- On-Line Data Bases	4,005	18%	4,710	5,700	6,890	8,275	9,975	11,990	21%
- On-line News Services	2,210	22%	2,687	3,265	3,945	4,735	5,682	6,805	20%

Source: INPUT

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Exhibit III-6

Systems Software Products

Market Size by Platform and Product Category, 1994-2000

PLATFORM/PRODUCT CATEGORY	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Systems Software Total	**23,845**	**10%**	**26,212**	**28,753**	**31,618**	**34,876**	**38,735**	**43,290**	**11%**
Platform									
Mainframe	9,475	2%	9,688	9,798	9,810	9,744	9,685	9,584	0%
- Systems Control Products	2,490	-6%	2,340	2,176	2,005	1,825	1,650	1,470	-9%
- Operations Management Tools	3,160	7%	3,370	3,525	3,626	3,699	3,773	3,850	3%
- Applications Development Tools	3,825	4%	3,978	4,097	4,179	4,220	4,262	4,264	1%
Minicomputer	7,591	8%	8,235	8,922	9,699	10,578	11,627	12,820	9%
- Systems Control Products	2,390	5%	2,515	2,616	2,694	2,761	2,816	2,872	3%
- Operations Management Tools	2,010	8%	2,170	2,330	2,510	2,695	2,895	3,115	7%
- Applications Development Tools	3,191	11%	3,550	3,976	4,495	5,122	5,916	6,833	14%
Workstation/PC	6,779	22%	8,289	10,033	12,109	14,554	17,423	20,886	20%
- Systems Control Products	2,324	13%	2,615	2,940	3,285	3,675	4,083	4,506	11%
- Operations Management Tools	965	23%	1,190	1,464	1,822	2,267	2,833	3,560	25%
- Applications Development Tools	3,490	28%	4,484	5,629	7,002	8,612	10,507	12,820	23%
Product/Service Category									
Systems Control Products	7,204	4%	7,470	7,732	7,984	8,261	8,549	8,848	3%
- Mainframe	2,490	-6%	2,340	2,176	2,005	1,825	1,650	1,470	-9%
- Minicomputer	2,390	5%	2,515	2,616	2,694	2,761	2,816	2,872	3%
- Workstation/PC	2,324	13%	2,615	2,940	3,285	3,675	4,083	4,506	11%
Operations Management Tools	6,135	10%	6,730	7,319	7,958	8,661	9,501	10,525	9%
- Mainframe	3,160	7%	3,370	3,525	3,626	3,699	3,773	3,850	3%
- Minicomputer	2,010	8%	2,170	2,330	2,510	2,695	2,895	3,115	7%
- Workstation/PC	965	23%	1,190	1,464	1,822	2,267	2,833	3,560	25%
Applications Development Tools	10,506	14%	12,012	13,702	15,676	17,954	20,685	23,917	15%
- Mainframe	3,825	4%	3,978	4,097	4,179	4,220	4,262	4,264	1%
- Minicomputer	3,191	11%	3,550	3,976	4,495	5,122	5,916	6,833	14%
- Workstation/PC	3,490	28%	4,484	5,629	7,002	8,612	10,507	12,820	23%

Source: INPUT

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Exhibit III-7

Applications Software Products
Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**28,003**	**15%**	**32,111**	**36,998**	**42,724**	**49,451**	**57,642**	**67,655**	**16%**
Banking and Finance	2,615	10%	2,871	3,126	3,406	3,671	3,950	4,255	8%
Business Services	1,416	19%	1,685	2,021	2,408	2,820	3,368	4,084	19%
Discrete Manufacturing	3,270	21%	3,953	4,827	5,962	7,451	9,409	11,997	25%
Education	940	12%	1,057	1,193	1,339	1,519	1,728	1,969	13%
Federal Government	816	7%	876	999	1,057	1,117	1,186	1,264	8%
Health Services	1,385	12%	1,555	1,765	2,007	2,305	2,678	3,121	15%
Insurance	1,117	13%	1,263	1,454	1,683	1,947	2,251	2,627	16%
Miscellaneous	315	9%	343	374	417	463	524	595	12%
Process Manufacturing	969	16%	1,127	1,321	1,555	1,840	2,190	2,629	18%
Retail Trade	389	14%	442	515	599	696	805	943	16%
State and Local Gov't	255	14%	291	328	373	425	483	545	13%
Telecommunications	595	21%	721	874	1,069	1,309	1,611	1,988	22%
Transportation	552	15%	635	708	812	932	1,080	1,267	15%
Utilities	298	13%	337	380	429	483	544	616	13%
Wholesale Trade	748	13%	847	970	1,115	1,300	1,518	1,791	16%
Total Cross-Industry	12,323	14%	14,108	16,143	18,493	21,173	24,317	27,964	15%
Cross-Industry Summary									
Accounting	3,324	13%	3,760	4,272	4,892	5,618	6,489	7,555	15%
Education & Training	274	13%	309	350	405	472	555	653	16%
Engineering & Scientific	930	12%	1,045	1,176	1,325	1,504	1,709	1,959	13%
Human Resources	896	12%	1,003	1,113	1,234	1,355	1,483	1,616	10%
Office Systems	3,649	15%	4,211	4,907	5,695	6,586	7,689	8,891	16%
Planning & Analysis	2,840	17%	3,330	3,830	4,395	5,030	5,715	6,545	14%
Sales & Marketing	410	10%	450	495	547	608	677	745	11%
Total Cross-Industry	12,323	14%	14,108	16,143	18,493	21,173	24,317	27,964	15%

Source: INPUT

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Exhibit III-8

Turnkey Systems
Market Size by Industry Sector, 1994-2000

INDUSTRY SECTORS	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
Total All Sectors	**14,781**	**9%**	**16,100**	**17,631**	**19,181**	**20,837**	**22,662**	**24,716**	**9%**
Banking and Finance	1,240	11%	1,373	1,492	1,615	1,740	1,863	2,002	8%
Business Services	1,069	8%	1,158	1,270	1,380	1,491	1,605	1,745	9%
Discrete Manufacturing	3,689	11%	4,111	4,601	5,172	5,825	6,580	7,475	13%
Education	276	6%	292	311	339	364	392	422	8%
Federal Government	1,444	9%	1,576	1,819	1,955	2,077	2,208	2,359	8%
Health Services	1,154	7%	1,233	1,325	1,417	1,507	1,585	1,665	6%
Insurance	337	5%	353	368	381	395	408	420	4%
Miscellaneous	596	7%	640	679	717	759	808	852	6%
Process Manufacturing	779	10%	858	950	1,047	1,155	1,282	1,413	10%
Retail Trade	860	7%	920	981	1,051	1,122	1,198	1,277	7%
State and Local Gov't	235	11%	261	286	314	345	379	422	10%
Telecommunications	676	13%	766	865	985	1,125	1,290	1,471	14%
Transportation	335	9%	364	396	427	462	498	535	8%
Utilities	122	11%	135	148	163	178	194	212	9%
Wholesale Trade	585	6%	620	641	664	688	714	736	3%
Total Cross-Industry	1,384	4%	1,440	1,499	1,554	1,604	1,658	1,710	3%
Cross-Industry Summary									
Accounting	499	1%	504	510	515	518	520	521	1%
Education & Training	165	12%	184	202	220	241	265	291	10%
Engineering & Scientific	147	5%	155	162	169	175	181	187	4%
Human Resources	100	3%	103	106	108	108	110	111	2%
Office Systems	123	0%	123	126	128	128	128	127	1%
Planning & Analysis	0		0	0	0	0	0	0	
Sales & Marketing	350	6%	371	393	414	434	454	473	5%
Total Cross-Industry	1,384	4%	1,440	1,499	1,554	1,604	1,658	1,710	3%

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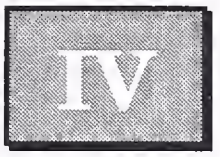

Industry Sector Forecast

This chapter presents the market forecasts for each of the 15 industry sectors used by INPUT to define the U.S. information services industry. For additional details, including reconciliations, industry trends, and INPUT's competitive and forecast analysis, please refer to the appropriate industry report.

The industry sector forecasts contained in this chapter are presented in the following order:

- Banking and Finance
- Business Services
- Discrete Manufacturing
- Education
- Federal Government
- Health Services
- Insurance Industry
- Miscellaneous Industries
- Process Manufacturing
- Retail Trade
- State and Local Government
- Telecommunications Industry

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- Transportation
- Utilities Industry
- Wholesale Trade

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Exhibit IV-1

Banking and Finance

Market Size by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	16,711	12%	18,763	20,969	23,467	26,256	29,447	33,030	12%
Professional Services	2,925	11%	3,257	3,554	3,862	4,185	4,542	4,926	9%
- IS Consulting	810	11%	899	982	1,087	1,197	1,317	1,442	10%
- Education & Training	435	9%	476	521	570	624	682	748	9%
- Software Development	1,680	12%	1,882	2,051	2,205	2,364	2,543	2,736	8%
Systems Integration	719	19%	859	1,028	1,242	1,500	1,817	2,147	20%
- Equipment	230	15%	265	302	344	388	439	492	13%
- Software Products	51	20%	61	76	99	123	152	184	25%
- Professional Services	400	22%	487	594	730	904	1,121	1,345	23%
- Other	38	21%	46	56	69	85	105	126	22%
Outsourcing	3,684	18%	4,341	5,131	6,070	7,203	8,538	10,158	19%
- Platform Operations	825	13%	935	1,029	1,121	1,211	1,291	1,376	8%
- Applications Operations	1,700	17%	1,982	2,310	2,693	3,139	3,659	4,265	17%
- Desktop Services	428	22%	522	647	803	996	1,234	1,531	24%
- Network Management	399	22%	487	618	785	1,009	1,274	1,609	27%
- Application Management	170	20%	204	249	301	364	441	533	21%
- Business Operations	162	30%	211	278	367	484	639	844	32%
Processing Services	4,490	9%	4,880	5,280	5,700	6,122	6,580	7,006	8%
- Transaction Processing	4,490	9%	4,880	5,280	5,700	6,122	6,580	7,006	8%
Network Services	1,038	14%	1,182	1,358	1,572	1,835	2,157	2,536	16%
- Electronic Information Svcs	918	14%	1,047	1,203	1,392	1,630	1,912	2,245	16%
- Network Applications	120	13%	135	155	180	205	245	291	17%
Applications Software	2,615	10%	2,871	3,126	3,406	3,671	3,950	4,255	8%
- Mainframe	1,125	9%	1,221	1,318	1,411	1,490	1,575	1,670	6%
- Minicomputer	825	10%	905	980	1,072	1,150	1,225	1,300	8%
- Workstation/PC	665	12%	745	828	923	1,031	1,150	1,285	12%
Turnkey Systems	1,240	11%	1,373	1,492	1,615	1,740	1,863	2,002	8%
- Equipment	505	7%	540	575	607	640	673	705	5%
- Software Products	490	13%	553	602	658	715	775	835	9%
- Professional Services	245	14%	280	315	350	385	415	462	11%

Source: INPUT

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Exhibit IV-2

Business Services
Market Size by Product/Service Category

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	5,983	11%	6,628	7,402	8,304	9,285	10,505	12,026	13%
Professional Services	387	11%	430	474	525	572	619	670	9%
- IS Consulting	112	14%	128	144	160	176	191	206	10%
- Education & Training	55	9%	60	65	72	78	85	93	9%
- Software Development	220	10%	242	265	293	318	343	371	9%
Systems Integration	296	22%	362	448	549	675	826	1,008	23%
- Equipment	75	23%	92	113	138	167	201	239	21%
- Software Products	35	23%	43	55	68	84	101	121	23%
- Professional Services	173	22%	211	261	321	398	493	612	24%
- Other	13	23%	16	19	22	26	31	36	18%
Outsourcing	296	20%	355	424	508	599	712	849	19%
- Platform Operations	66	17%	77	83	97	110	114	118	9%
- Applications Operations	138	20%	166	195	230	269	323	388	19%
- Desktop Services	36	31%	47	61	79	92	117	149	26%
- Network Management	33	12%	37	49	57	71	85	102	22%
- Application Managem't	12	17%	14	17	20	24	29	34	19%
- Business Operations	11	27%	14	19	25	33	44	58	33%
Processing Services	1,755	2%	1,790	1,820	1,855	1,883	1,925	1,970	2%
- Transaction Processing	1,755	2%	1,790	1,820	1,855	1,883	1,925	1,970	2%
Network Services	764	11%	848	945	1,079	1,245	1,450	1,700	15%
- Electronic Information Svcs	735	10%	810	897	1,020	1,170	1,355	1,580	14%
- Network Applications	29	31%	38	48	59	75	95	120	26%
Applications Software	1,416	19%	1,685	2,021	2,408	2,820	3,368	4,084	19%
- Mainframe	118	1%	119	121	123	125	127	128	1%
- Minicomputer	268	7%	286	320	350	375	396	421	8%
- Workstation/PC	1,030	24%	1,280	1,580	1,935	2,320	2,845	3,535	23%
Turnkey Systems	1,069	8%	1,158	1,270	1,380	1,491	1,605	1,745	9%
- Equipment	352	7%	378	413	444	475	510	540	7%
- Software Products	355	8%	383	418	450	484	510	550	8%
- Professional Services	362	10%	397	439	486	532	585	655	11%

Source: INPUT

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Exhibit IV-3

Discrete Manufacturing

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	17,174	15%	19,669	22,807	26,681	31,340	36,829	43,518	17%
Professional Services	5,935	13%	6,683	7,573	8,691	9,931	11,255	12,703	14%
- IS Consulting	1,582	18%	1,867	2,184	2,577	3,041	3,558	4,163	17%
- Education & Training	941	13%	1,063	1,223	1,406	1,617	1,844	2,102	15%
- Software Development	3,412	10%	3,753	4,166	4,708	5,273	5,853	6,438	11%
Systems Integration	1,953	17%	2,285	2,800	3,396	4,124	4,910	5,846	21%
- Equipment	1,130	18%	1,330	1,655	2,028	2,485	2,950	3,502	21%
- Software Products	138	14%	158	187	219	258	303	356	18%
- Professional Services	620	17%	723	870	1,046	1,259	1,515	1,823	20%
- Other	65	14%	74	88	103	122	142	165	17%
Outsourcing	1,258	20%	1,505	1,808	2,182	2,641	3,206	3,904	21%
- Platform Operations	380	14%	435	498	570	653	748	853	14%
- Applications Operations	460	17%	536	627	737	866	1,017	1,190	17%
- Desktop Services	170	26%	214	270	340	428	540	680	26%
- Network Management	140	33%	186	246	326	433	574	761	33%
- Application Management	60	20%	72	86	104	124	149	179	20%
- Business Operations	48	29%	62	81	105	137	178	241	31%
Processing Services	910	3%	940	966	994	1,021	1,046	1,071	3%
- Transaction Processing	910	3%	940	966	994	1,021	1,046	1,071	3%
Network Services	159	21%	192	232	284	347	423	522	22%
- Electronic Information Svcs	75	19%	89	105	125	149	178	212	19%
- Network Applications	84	23%	103	127	159	198	245	310	25%
Applications Software	3,270	21%	3,953	4,827	5,962	7,451	9,409	11,997	25%
- Mainframe	425	5%	448	470	495	520	547	575	5%
- Minicomputer	1,425	11%	1,580	1,747	1,932	2,136	2,362	2,612	11%
- Workstation/PC	1,420	36%	1,925	2,610	3,535	4,795	6,500	8,810	36%
Turnkey Systems	3,689	11%	4,111	4,601	5,172	5,825	6,580	7,475	13%
- Equipment	1,469	6%	1,556	1,651	1,752	1,860	1,970	2,090	6%
- Software Products	1,475	13%	1,660	1,875	2,120	2,395	2,705	3,060	13%
- Professional Services	745	20%	895	1,075	1,300	1,570	1,905	2,325	21%

Source: INPUT

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Exhibit IV-4

Education

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	2,325	13%	2,626	2,974	3,365	3,823	4,353	4,961	14%
Professional Services	100	16%	116	132	152	174	197	223	14%
- IS Consulting	28	21%	34	40	47	56	65	76	17%
- Education & Training	17	18%	20	22	26	30	34	39	14%
- Software Development	55	13%	62	70	79	88	98	108	12%
Systems Integration	138	20%	165	198	231	266	305	344	16%
- Equipment	46	22%	56	67	79	91	105	119	16%
- Software Products	11	18%	13	16	19	22	25	29	17%
- Professional Services	78	19%	93	111	129	148	170	190	15%
- Other	3	0%	3	4	4	5	5	6	15%
Outsourcing	359	19%	427	507	598	705	832	980	18%
- Platform Operations	225	18%	265	311	360	416	479	550	16%
- Applications Operations	93	20%	112	134	161	192	228	269	19%
- Desktop Services	7	14%	8	10	12	15	20	26	27%
- Network Management	8	13%	9	11	13	16	20	26	24%
- Application Management	14	21%	17	20	24	29	35	42	20%
- Business Operations	12	33%	16	21	28	37	50	67	33%
Processing Services	215	3%	221	226	231	235	238	241	2%
- Transaction Processing	215	3%	221	226	231	235	238	241	2%
Network Services	297	17%	348	407	475	560	661	782	18%
- Electronic Information Svcs	191	18%	225	265	312	370	440	526	19%
- Network Applications	106	16%	123	142	163	190	221	256	16%
Applications Software	940	12%	1,057	1,193	1,339	1,519	1,728	1,969	13%
- Mainframe	85	1%	86	88	88	89	89	89	1%
- Minicomputer	210	8%	226	240	251	267	284	300	6%
- Workstation/PC	645	16%	745	865	1,000	1,163	1,355	1,580	16%
Turnkey Systems	276	6%	292	311	339	364	392	422	8%
- Equipment	125	6%	133	141	148	158	170	182	6%
- Software Products	105	5%	110	117	134	145	157	170	9%
- Professional Services	46	7%	49	53	57	61	65	70	7%

Source: INPUT

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Exhibit IV-5

Federal Government

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	10,963	5%	11,537	12,677	13,631	14,465	15,394	16,461	7%
Professional Services	2,315	13%	2,606	2,735	2,990	3,222	3,470	3,758	8%
- IS Consulting	474	13%	535	562	615	663	712	768	7%
- Education & Training	404	9%	442	474	511	544	578	615	7%
- Software Development	1,437	13%	1,629	1,699	1,864	2,015	2,180	2,375	8%
Systems Integration	3,641	-2%	3,556	4,143	4,438	4,704	4,997	5,335	8%
- Equipment	2,022	-2%	1,991	2,413	2,562	2,695	2,844	3,020	9%
- Software Products	299	2%	305	378	401	422	447	476	9%
- Professional Services	1,143	-6%	1,070	1,117	1,226	1,325	1,429	1,544	8%
- Other	177	7%	190	235	249	262	277	295	9%
Outsourcing	1,515	8%	1,635	1,683	1,813	1,924	2,038	2,165	6%
- Platform Operations	415	7%	446	456	487	513	539	567	5%
- Applications Operations	619	8%	667	686	738	783	826	870	5%
- Desktop Services	138	8%	149	155	168	180	197	225	9%
- Network Management	207	8%	223	231	251	267	282	294	6%
- Application Management	77	14%	88	91	100	108	117	128	8%
- Business Operations	59	5%	62	64	69	73	77	81	5%
Processing Services	108	2%	110	107	105	101	104	108	0%
- Transaction Processing	108	2%	110	107	105	101	104	108	0%
Network Services	1,124	5%	1,178	1,191	1,273	1,320	1,391	1,472	5%
- Electronic Information Svcs	292	4%	305	310	331	343	362	383	5%
- Network Applications	832	5%	873	881	942	977	1,029	1,089	5%
Applications Software	816	7%	876	999	1,057	1,117	1,186	1,264	8%
- Mainframe	122	7%	130	144	147	151	162	177	6%
- Minicomputer	188	6%	200	223	231	240	256	278	7%
- Workstation/PC	506	8%	546	632	679	726	768	809	8%
Turnkey Systems	1,444	9%	1,576	1,819	1,955	2,077	2,208	2,359	8%
- Equipment	650	9%	707	807	861	914	971	1,038	8%
- Software Products	549	9%	597	680	723	768	817	873	8%
- Professional Services	245	11%	272	332	371	395	420	448	10%

Source: INPUT

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Exhibit IV-6

Health Services

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	6,167	11%	6,873	7,710	8,715	9,920	11,340	12,975	14%
Professional Services	307	15%	352	403	466	539	620	703	15%
- IS Consulting	93	17%	109	127	150	177	208	241	17%
- Education & Training	51	10%	56	62	70	77	87	95	11%
- Software Development	163	15%	187	214	246	285	325	367	14%
Systems Integration	369	20%	441	522	623	745	889	1,067	19%
- Equipment	120	16%	139	159	181	206	234	264	14%
- Software Products	37	24%	46	56	68	83	99	119	21%
- Professional Services	210	20%	253	304	370	451	550	677	22%
- Other	2	50%	3	3	4	5	6	7	18%
Outsourcing	1,586	12%	1,781	2,028	2,349	2,764	3,245	3,839	17%
- Platform Operations	550	5%	575	613	662	719	748	778	6%
- Applications Operations	525	10%	578	641	718	811	917	1,036	12%
- Desktop Services	190	18%	225	265	318	385	467	566	20%
- Network Management	187	25%	234	292	373	484	630	818	28%
- Application Management	69	20%	83	102	125	154	191	237	23%
- Business Operations	65	32%	86	115	153	211	292	404	36%
Processing Services	575	4%	596	617	638	660	683	700	3%
- Transaction Processing	575	4%	596	617	638	660	683	700	3%
Network Services	791	16%	915	1,050	1,215	1,400	1,640	1,880	15%
- Electronic Information Svcs	425	12%	475	530	595	670	760	860	13%
- Network Applications	366	20%	440	520	620	730	880	1,020	18%
Applications Software	1,385	12%	1,555	1,765	2,007	2,305	2,678	3,121	15%
- Mainframe	430	5%	450	472	495	520	540	560	4%
- Minicomputer	355	7%	380	405	430	455	488	521	7%
- Workstation/PC	600	21%	725	888	1,082	1,330	1,650	2,040	23%
Turnkey Systems	1,154	7%	1,233	1,325	1,417	1,507	1,585	1,665	6%
- Equipment	510	4%	528	550	567	582	600	620	3%
- Software Products	440	8%	475	525	580	635	675	715	9%
- Professional Services	204	13%	230	250	270	290	310	330	7%

Source: INPUT

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Exhibit IV-7

Insurance Industry

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	5,982	12%	6,671	7,526	8,528	9,642	10,940	12,444	13%
Professional Services	1,765	9%	1,918	2,096	2,293	2,487	2,704	2,942	9%
- IS Consulting	455	11%	505	566	634	710	788	874	12%
- Education & Training	260	11%	289	317	349	388	430	478	11%
- Software Development	1,050	7%	1,124	1,213	1,310	1,389	1,486	1,590	7%
Systems Integration	298	17%	349	411	485	565	666	782	18%
- Equipment	49	16%	57	67	79	91	106	122	16%
- Software Products	28	18%	33	39	46	53	63	74	18%
- Professional Services	215	17%	252	297	350	410	484	571	18%
- Other	6	17%	7	8	10	11	13	15	16%
Outsourcing	1,778	15%	2,045	2,385	2,792	3,268	3,830	4,485	17%
- Platform Operations	637	10%	700	770	855	941	1,035	1,128	10%
- Applications Operations	615	16%	713	849	1,010	1,192	1,395	1,618	18%
- Desktop Services	208	18%	246	294	348	418	501	602	20%
- Network Management	179	21%	217	264	322	400	504	640	24%
- Application Management	75	20%	90	108	129	152	179	209	18%
- Business Operations	64	23%	79	100	128	165	216	288	30%
Processing Services	406	4%	424	447	474	499	525	545	5%
- Transaction Processing	406	4%	424	447	474	499	525	545	5%
Network Services	281	14%	319	365	420	481	556	643	15%
- Electronic Information Svcs	216	12%	241	268	302	339	383	435	13%
- Network Applications	65	20%	78	97	118	142	173	208	22%
Applications Software	1,117	13%	1,263	1,454	1,683	1,947	2,251	2,627	16%
- Mainframe	364	4%	380	410	441	470	500	532	7%
- Minicomputer	128	4%	133	143	152	162	171	180	6%
- Workstation/PC	625	20%	750	901	1,090	1,315	1,580	1,915	21%
Turnkey Systems	337	5%	353	368	381	395	408	420	4%
- Equipment	145	2%	148	152	154	157	160	163	2%
- Software Products	131	7%	140	147	154	161	167	173	4%
- Professional Services	61	7%	65	69	73	77	81	84	5%

Source: INPUT

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Exhibit IV-8

Miscellaneous Industries

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	1,424	8%	1,538	1,656	1,796	1,935	2,106	2,289	8%
Professional Services	158	10%	174	190	208	225	242	259	8%
- IS Consulting	40	10%	44	49	54	60	66	71	10%
- Education & Training	23	9%	25	27	29	31	33	35	7%
- Software Development	95	11%	105	114	125	134	143	153	8%
Systems Integration	11	18%	13	15	20	22	25	31	19%
- Equipment	5	20%	6	7	8	9	10	12	15%
- Software Products	1	0%	1	1	2	2	2	3	25%
- Professional Services	4	25%	5	6	8	9	11	13	21%
- Other	1	0%	1	1	2	2	2	3	25%
Outsourcing	28	14%	32	37	44	51	61	72	18%
- Platform Operations	8	13%	9	10	11	12	13	13	8%
- Applications Operations	12	8%	13	15	17	19	23	27	16%
- Desktop Services	3	33%	4	5	6	7	9	11	22%
- Network Management	3	33%	4	5	6	9	11	14	28%
- Application Management	1	0%	1	1	2	2	2	3	25%
- Business Operations	1	0%	1	1	2	2	3	4	32%
Processing Services	133	-2%	131	128	125	123	121	119	-2%
- Transaction Processing	133	-2%	131	128	125	123	121	119	-2%
Network Services	183	12%	205	233	265	292	325	361	12%
- Electronic Information Svcs	170	12%	190	214	242	264	292	324	11%
- Network Applications	13	15%	15	19	23	28	33	37	20%
Applications Software	315	9%	343	374	417	463	524	595	12%
- Mainframe	12	-8%	11	11	10	10	9	8	-6%
- Minicomputer	103	4%	107	111	115	118	121	124	3%
- Workstation/PC	200	13%	225	252	292	335	394	463	16%
Turnkey Systems	596	7%	640	679	717	759	808	852	6%
- Equipment	250	5%	262	273	283	292	299	307	3%
- Software Products	230	9%	250	260	282	300	325	350	7%
- Professional Services	116	10%	128	146	152	167	184	195	9%

Source: INPUT

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Exhibit IV-9

Process Manufacturing

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	8,568	14%	9,795	11,219	12,869	14,781	17,027	19,625	15%
Professional Services	2,957	15%	3,407	3,897	4,455	5,068	5,761	6,490	14%
- IS Consulting	780	20%	936	1,114	1,314	1,551	1,815	2,123	18%
- Education & Training	371	11%	412	457	512	573	648	739	12%
- Software Development	1,806	14%	2,059	2,326	2,629	2,944	3,298	3,628	12%
Systems Integration	514	13%	580	675	774	879	1,019	1,181	15%
- Equipment	191	16%	222	256	292	330	384	447	15%
- Software Products	54	9%	59	68	77	86	102	121	15%
- Professional Services	245	11%	272	320	370	423	486	558	15%
- Other	24	13%	27	31	35	40	47	55	15%
Outsourcing	1,234	18%	1,457	1,723	2,038	2,408	2,845	3,354	18%
- Platform Operations	349	11%	386	433	485	543	597	657	11%
- Applications Operations	502	19%	596	703	826	967	1,131	1,323	17%
- Desktop Services	151	20%	181	217	263	318	388	466	21%
- Network Management	131	29%	169	215	273	343	433	537	26%
- Application Management	56	20%	67	81	97	116	139	167	20%
- Business Operations	45	29%	58	74	94	121	157	204	29%
Processing Services	810	4%	840	871	900	929	955	978	3%
- Transaction Processing	810	4%	840	871	900	929	955	978	3%
Network Services	1,305	17%	1,526	1,782	2,100	2,502	2,975	3,580	19%
- Electronic Information Svcs	1,080	15%	1,242	1,425	1,647	1,922	2,240	2,650	16%
- Network Applications	225	26%	284	357	453	580	735	930	27%
Applications Software	969	16%	1,127	1,321	1,555	1,840	2,190	2,629	18%
- Mainframe	216	6%	229	244	260	277	297	320	7%
- Minicomputer	308	13%	349	396	449	509	575	655	13%
- Workstation/PC	445	23%	549	681	846	1,054	1,318	1,654	25%
Turnkey Systems	779	10%	858	950	1,047	1,155	1,282	1,413	10%
- Equipment	370	10%	406	442	482	525	572	624	9%
- Software Products	281	10%	310	348	385	427	480	533	11%
- Professional Services	128	11%	142	160	180	203	230	256	13%

Source: INPUT

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Exhibit IV-10

Retail Trade

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	3,159	14%	3,610	4,176	4,857	5,649	6,610	7,780	17%
Professional Services	269	12%	301	330	364	393	422	452	8%
- IS Consulting	76	13%	86	96	107	116	127	138	10%
- Education & Training	39	5%	41	43	46	50	53	57	7%
- Software Development	154	13%	174	191	211	227	242	257	8%
Systems Integration	501	17%	586	680	789	916	1,059	1,218	16%
- Equipment	290	16%	336	383	435	488	541	595	12%
- Software Products	35	17%	41	48	56	67	79	93	18%
- Professional Services	162	19%	193	230	276	335	408	494	21%
- Other	14	14%	16	19	22	26	31	36	18%
Outsourcing	600	22%	730	912	1,136	1,397	1,739	2,170	24%
- Platform Operations	245	20%	295	360	440	520	621	742	20%
- Applications Operations	175	18%	207	263	327	400	499	622	25%
- Desktop Services	80	25%	100	128	166	216	281	366	30%
- Network Management	54	28%	69	86	108	139	183	242	29%
- Application Management	24	25%	30	38	47	59	73	92	25%
- Business Operations	22	32%	29	37	48	63	82	106	30%
Processing Services	200	6%	211	223	236	251	267	286	6%
- Transaction Processing	200	6%	211	223	236	251	267	286	6%
Network Services	340	24%	420	535	682	874	1,120	1,434	28%
- Electronic Information Svcs	210	20%	252	309	379	464	570	698	23%
- Network Applications	130	29%	168	226	303	410	550	736	34%
Applications Software	389	14%	442	515	599	696	805	943	16%
- Mainframe	52	6%	55	57	59	61	63	65	3%
- Minicomputer	167	12%	187	210	230	250	270	290	9%
- Workstation/PC	170	18%	200	248	310	385	472	588	24%
Turnkey Systems	860	7%	920	981	1,051	1,122	1,198	1,277	7%
- Equipment	367	4%	382	397	413	430	446	460	4%
- Software Products	329	7%	353	377	405	432	462	495	7%
- Professional Services	164	13%	185	207	233	260	290	322	12%

Source: INPUT

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Exhibit IV-11

State and Local Government

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	8,078	15%	9,327	10,750	12,406	14,320	16,633	19,296	16%
Professional Services	3,271	14%	3,737	4,237	4,781	5,367	6,072	6,801	13%
- IS Consulting	860	16%	998	1,147	1,314	1,511	1,752	2,006	15%
- Education & Training	470	12%	526	590	654	720	807	896	11%
- Software Development	1,941	14%	2,213	2,500	2,813	3,136	3,513	3,899	12%
Systems Integration	1,197	12%	1,346	1,517	1,720	1,955	2,208	2,480	13%
- Equipment	410	9%	447	487	533	584	637	694	9%
- Software Products	75	8%	81	90	97	107	117	129	10%
- Professional Services	680	15%	782	899	1,043	1,210	1,392	1,586	15%
- Other	32	13%	36	41	47	54	62	71	15%
Outsourcing	2,534	19%	3,018	3,609	4,328	5,203	6,304	7,664	20%
- Platform Operations	502	11%	558	622	691	760	843	936	11%
- Applications Operations	1,238	19%	1,473	1,753	2,086	2,483	2,954	3,516	19%
- Desktop Services	289	28%	370	481	625	813	1,056	1,373	30%
- Network Management	310	22%	378	459	558	678	851	1,069	23%
- Application Management	110	21%	133	161	195	236	285	345	21%
- Business Operations	85	25%	106	133	173	233	315	425	32%
Processing Services	402	12%	452	505	565	630	705	790	12%
- Transaction Processing	402	12%	452	505	565	630	705	790	12%
Network Services	184	21%	222	268	325	395	482	594	22%
- Electronic Information Svcs	62	13%	70	79	89	100	112	124	12%
- Network Applications	122	25%	152	189	236	295	370	470	25%
Applications Software	255	14%	291	328	373	425	483	545	13%
- Mainframe	65	6%	69	72	75	78	81	84	4%
- Minicomputer	50	14%	57	65	73	82	92	101	12%
- Workstation/PC	140	18%	165	191	225	265	310	360	17%
Turnkey Systems	235	11%	261	286	314	345	379	422	10%
- Equipment	98	8%	106	115	125	134	143	152	7%
- Software Products	92	12%	103	113	125	138	154	172	11%
- Professional Services	45	16%	52	58	64	73	82	98	14%

Source: INPUT

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Exhibit IV-12

Telecommunications Industry
Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	4,864	19%	5,789	6,913	8,331	10,084	12,259	14,945	21%
Professional Services	1,546	22%	1,884	2,319	2,880	3,600	4,514	5,680	25%
- IS Consulting	347	23%	428	531	663	833	1,050	1,330	25%
- Education & Training	233	24%	290	360	446	553	686	850	24%
- Software Development	966	21%	1,166	1,428	1,771	2,214	2,778	3,500	25%
Systems Integration	373	25%	466	586	734	919	1,153	1,443	25%
- Equipment	98	24%	122	151	187	232	287	356	24%
- Software Products	29	24%	36	44	54	66	82	100	23%
- Professional Services	242	25%	303	384	484	610	769	968	26%
- Other	4	25%	5	7	9	11	15	19	31%
Outsourcing	104	17%	122	139	162	188	217	254	16%
- Platform Operations	28	14%	32	34	38	41	45	49	9%
- Applications Operations	45	13%	51	58	66	77	88	102	15%
- Desktop Services	12	25%	15	18	21	24	28	32	16%
- Network Management	12	25%	15	18	23	28	35	44	24%
- Application Management	4	25%	5	6	7	9	10	13	21%
- Business Operations	3	33%	4	5	7	9	11	14	28%
Processing Services	1,397	16%	1,622	1,880	2,197	2,574	3,024	3,555	17%
- Transaction Processing	1,397	16%	1,622	1,880	2,197	2,574	3,024	3,555	17%
Network Services	173	20%	208	250	304	369	450	554	22%
- Electronic Information Svcs	141	20%	169	203	246	297	361	444	21%
- Network Applications	32	22%	39	47	58	72	89	110	23%
Applications Software	595	21%	721	874	1,069	1,309	1,611	1,988	22%
- Mainframe	267	18%	314	367	434	514	609	752	19%
- Minicomputer	151	23%	185	228	283	350	437	539	24%
- Workstation/PC	177	25%	222	279	352	445	565	697	26%
Turnkey Systems	676	13%	766	865	985	1,125	1,290	1,471	14%
- Equipment	285	11%	317	352	394	443	499	569	12%
- Software Products	264	14%	300	340	389	445	512	584	14%
- Professional Services	127	17%	149	173	202	237	279	318	16%

Source: INPUT

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Exhibit IV-13

Transportation

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	4,710	17%	5,509	6,061	6,698	7,364	8,155	9,094	11%
Professional Services	298	11%	332	367	401	438	475	517	9%
- IS Consulting	80	15%	92	104	119	134	151	170	13%
- Education & Training	40	10%	44	49	53	59	64	70	10%
- Software Development	178	10%	196	214	229	245	260	277	7%
Systems Integration	270	19%	320	380	448	520	605	706	17%
- Equipment	93	18%	110	128	147	166	187	209	14%
- Software Products	18	17%	21	25	30	35	41	48	18%
- Professional Services	152	18%	180	216	257	303	357	425	19%
- Other	7	29%	9	11	14	16	20	24	22%
Outsourcing	354	100%	708	790	880	972	1,097	1,244	12%
- Platform Operations	150	13%	169	185	200	208	233	261	9%
- Applications Operations	112	283%	429	472	519	571	628	691	10%
- Desktop Services	37	16%	43	50	60	69	84	102	19%
- Network Management	31	19%	37	46	54	64	76	93	20%
- Application Management	14	14%	16	19	23	28	33	39	20%
- Business Operations	10	40%	14	18	24	32	43	58	33%
Processing Services	2,395	6%	2,550	2,705	2,875	3,015	3,175	3,350	6%
- Transaction Processing	2,395	6%	2,550	2,705	2,875	3,015	3,175	3,350	6%
Network Services	506	19%	600	715	855	1,025	1,225	1,475	20%
- Electronic Information Svcs	358	17%	420	495	585	695	825	980	18%
- Network Applications	148	22%	180	220	270	330	400	495	22%
Applications Software	552	15%	635	708	812	932	1,080	1,267	15%
- Mainframe	167	5%	175	183	191	200	210	221	5%
- Minicomputer	135	11%	150	160	171	182	195	216	8%
- Workstation/PC	250	24%	310	365	450	550	675	830	22%
Turnkey Systems	335	9%	364	396	427	462	498	535	8%
- Equipment	155	7%	166	180	192	205	220	235	7%
- Software Products	130	10%	143	156	170	187	203	220	9%
- Professional Services	50	10%	55	60	65	70	75	80	8%

Source: INPUT

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Exhibit IV-14

Utilities Industry

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	1987	16%	2295	2626	2992	3395	3841	4342	14%
Professional Services	420	17%	493	577	669	774	897	1036	16%
- IS Consulting	140	20%	168	202	240	283	331	388	18%
- Education & Training	90	17%	105	122	140	162	184	212	15%
- Software Development	190	16%	220	253	289	329	382	436	15%
Systems Integration	709	14%	805	910	1027	1150	1285	1430	12%
- Equipment	232	10%	255	278	303	327	354	378	8%
- Software Products	70	17%	82	93	105	118	134	151	13%
- Professional Services	380	15%	437	503	578	659	744	841	14%
- Other	27	15%	31	36	41	46	53	60	14%
Outsourcing	99	52%	150	194	240	294	348	418	23%
- Platform Operations	36	67%	60	75	86	101	116	131	17%
- Applications Operations	28	46%	41	53	66	81	100	120	24%
- Desktop Services	12	50%	18	25	34	44	51	63	28%
- Network Management	13	31%	17	22	27	34	40	52	25%
- Application Management	4	50%	6	7	8	9	11	13	17%
- Business Operations	6	33%	8	12	19	25	30	39	37%
Processing Services	305	11%	339	377	420	467	520	573	11%
- Transaction Processing	305	11%	339	377	420	467	520	573	11%
Network Services	34	6%	36	40	44	49	53	57	10%
- Electronic Information Svcs	30	7%	32	35	39	43	47	51	10%
- Network Applications	4	0%	4	5	5	6	6	6	8%
Applications Software	298	13%	337	380	429	483	544	616	13%
- Mainframe	59	7%	63	67	72	77	83	88	7%
- Minicomputer	86	12%	96	107	119	130	141	153	10%
- Workstation/PC	153	16%	178	206	238	276	320	375	16%
Turnkey Systems	122	11%	135	148	163	178	194	212	9%
- Equipment	53	8%	57	61	66	71	75	80	7%
- Software Products	48	13%	54	60	67	74	83	93	11%
- Professional Services	21	14%	24	27	30	33	36	39	10%

Source: INPUT

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Exhibit IV-15

Wholesale Trade

Market Size by Product/Service Categories, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
INDUSTRY TOTAL	3190	13%	3594	4058	4602	5264	6064	7052	14%
Professional Services	448	10%	494	543	595	644	691	738	8%
- IS Consulting	105	15%	121	138	153	167	181	196	10%
- Education & Training	63	5%	66	70	73	77	81	85	5%
- Software Development	280	10%	307	335	369	400	429	457	8%
Systems Integration	246	15%	284	326	373	426	488	560	15%
- Equipment	76	13%	86	96	106	117	128	140	10%
- Software Products	18	22%	22	26	31	37	43	51	18%
- Professional Services	145	16%	168	195	226	260	302	352	16%
- Other	7	14%	8	9	10	12	15	17	16%
Outsourcing	311	15%	358	415	479	553	639	741	16%
- Platform Operations	126	12%	141	160	180	203	223	245	12%
- Applications Operations	91	14%	104	119	135	153	173	197	14%
- Desktop Services	41	22%	50	60	72	87	107	130	21%
- Network Management	30	17%	35	41	48	56	67	81	18%
- Application Management	13	15%	15	18	21	25	31	38	20%
- Business Operations	10	30%	13	17	23	29	38	50	31%
Processing Services	340	4%	352	362	372	380	386	392	2%
- Transaction Processing	340	4%	352	362	372	380	386	392	2%
Network Services	512	25%	639	801	1004	1273	1628	2094	27%
- Electronic Information Svcs	92	13%	104	116	129	143	158	174	11%
- Network Applications	420	27%	535	685	875	1130	1470	1920	29%
Applications Software	748	13%	847	970	1115	1300	1518	1791	16%
- Mainframe	275	4%	285	295	305	315	325	335	3%
- Minicomputer	163	9%	177	190	200	210	223	236	6%
- Workstation/PC	310	24%	385	485	610	775	970	1220	26%
Turnkey Systems	585	6%	620	641	664	688	714	736	3%
- Equipment	247	2%	253	256	260	264	269	274	2%
- Software Products	227	8%	245	255	267	280	294	305	4%
- Professional Services	111	10%	122	130	137	144	151	157	5%

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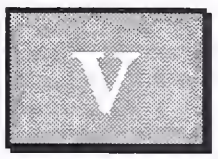

Cross-Industry Sector Forecast

This chapter presents the market forecasts for each of the seven cross-industry sectors used by INPUT in its definition of the U.S. information services industry. Cross-industry product/service categories are limited to processing services, applications software products and turnkey systems solutions tailored to each specific cross-industry sector. The four product/service categories not included here—systems integration, network services, professional services and outsourcing—are excluded because they are normally only used with industry-specific information services projects and activities, and thus are included in the appropriate industry sector forecasts. For additional details, including reconciliations, industry trends, and INPUT's forecast analysis, please refer to the appropriate cross-industry sector contained in INPUT's report, *Cross-Industry Markets, 1995-2000*.

The cross-industry sector forecasts contained in this chapter are presented in the following order:

- Accounting
- Education and Training
- Engineering and Scientific
- Human Resources
- Office Systems
- Planning and Analysis
- Sales and Marketing

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Exhibit V-1

Accounting

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	3,981	11%	4,420	4,936	5,559	6,286	7,157	8,222	13%
Processing Services	158	-1%	156	154	152	150	148	146	-1%
- Transaction Processing	158	-1%	156	154	152	150	148	146	-1%
Applications Software	3,324	13%	3,760	4,272	4,892	5,618	6,489	7,555	15%
- Mainframe	1,005	9%	1,092	1,185	1,285	1,390	1,504	1,623	8%
- Minicomputer	739	7%	791	850	912	988	1,070	1,163	8%
- Workstation/PC	1,580	19%	1,877	2,237	2,695	3,240	3,915	4,769	21%
Turnkey Systems	499	1%	504	510	515	518	520	521	1%
- Equipment	209	-1%	206	202	199	195	191	186	-2%
- Software Products	191	2%	195	199	203	208	212	216	2%
- Professional Services	99	4%	103	109	113	115	117	119	3%

Source: INPUT

Exhibit V-2

Education and Training

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORY	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	443	12%	497	555	628	716	822	946	14%
Processing Services	4	0%	4	3	3	3	2	2	-13%
- Transaction Processing	4	0%	4	3	3	3	2	2	-13%
Applications Software	274	13%	309	350	405	472	555	653	16%
- Mainframe	57	2%	58	58	59	59	60	60	1%
- Minicomputer	30	3%	31	31	32	32	33	34	2%
- Workstation/PC	187	18%	220	261	314	381	462	559	21%
Turnkey Systems	165	12%	184	202	220	241	265	291	10%
- Equipment	67	9%	73	79	84	90	97	105	8%
- Software Products	65	12%	73	80	88	97	108	120	10%
- Professional Services	33	15%	38	43	48	54	60	66	12%

Source: INPUT

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Exhibit V-3

Engineering and Scientific

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	1,200	10%	1,317	1,449	1,598	1,777	1,981	2,231	11%
Processing Services	123	-5%	117	111	104	98	91	85	-6%
- Transaction Processing	123	-5%	117	111	104	98	91	85	-6%
Applications Software	930	12%	1,045	1,176	1,325	1,504	1,709	1,959	13%
- Mainframe	184	8%	199	212	225	239	252	265	6%
- Minicomputer	320	8%	347	373	403	434	469	505	8%
- Workstation/PC	426	17%	499	591	697	831	988	1,189	19%
Turnkey Systems	147	5%	155	162	169	175	181	187	4%
- Equipment	60	2%	61	61	62	62	63	63	1%
- Software Products	58	7%	62	66	70	74	77	81	5%
- Professional Services	29	10%	32	35	37	39	41	43	6%

Source: INPUT

Exhibit V-4

Human Resources

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORY	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	3,801	9%	4,156	4,509	4,897	5,258	5,638	6,052	8%
Processing Services	2,805	9%	3,050	3,290	3,555	3,795	4,045	4,325	7%
- Transaction Processing	2,805	9%	3,050	3,290	3,555	3,795	4,045	4,325	7%
Applications Software	896	12%	1,003	1,113	1,234	1,355	1,483	1,616	10%
- Mainframe	275	5%	290	303	316	329	340	350	4%
- Minicomputer	298	7%	320	340	360	380	400	420	6%
- Workstation/PC	323	22%	393	470	558	646	743	846	17%
Turnkey Systems	100	3%	103	106	108	108	110	111	2%
- Equipment	41	-2%	40	38	35	31	28	25	-9%
- Software Products	37	5%	39	42	45	47	49	51	6%
- Professional Services	22	9%	24	26	28	30	33	35	8%

Source: INPUT

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Exhibit V-5

Office Systems

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	3,799	15%	4,360	5,058	5,847	6,737	7,838	9,037	16%
Processing Services	27	-4%	26	25	24	23	21	19	-6%
- Transaction Processing	27	-4%	26	25	24	23	21	19	-6%
Applications Software	3,649	15%	4,211	4,907	5,695	6,586	7,689	8,891	16%
- Mainframe	159	-2%	156	152	147	141	134	126	-4%
- Minicomputer	680	7%	730	775	810	845	880	915	5%
- Workstation/PC	2,810	18%	3,325	3,980	4,738	5,600	6,675	7,850	19%
Turnkey Systems	123	0%	123	126	128	128	128	127	1%
- Equipment	51	-2%	50	49	48	46	44	42	-3%
- Software Products	47	2%	48	50	51	52	53	53	2%
- Professional Services	25	0%	25	27	29	30	31	32	5%

Source: INPUT

Exhibit V-6

Planning and Analysis

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORY	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	2,987	16%	3,460	3,945	4,495	5,117	5,790	6,610	14%
Processing Services	147	-12%	130	115	100	87	75	65	-13%
- Transaction Processing	147	-12%	130	115	100	87	75	65	-13%
Applications Software	2,840	17%	3,330	3,830	4,395	5,030	5,715	6,545	14%
- Mainframe	250	8%	270	290	310	330	350	370	7%
- Minicomputer	185	0%	185	185	185	180	180	180	-1%
- Workstation/PC	2,405	20%	2,875	3,355	3,900	4,520	5,185	5,995	16%
Turnkey Systems	0		0	0	0	0	0	0	
- Equipment									
- Software Products									
- Professional Services									

Source: INPUT

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Exhibit V-7

Sales and Marketing

U.S. Market Forecast by Product/Service Sector, 1994-2000

PRODUCT/SERVICE CATEGORIES	1994 ($M)	Growth 94-95 (%)	1995 ($M)	1996 ($M)	1997 ($M)	1998 ($M)	1999 ($M)	2000 ($M)	CAGR 95-00 (%)
CROSS-INDUSTRY TOTAL	1,375	6%	1,461	1,553	1,646	1,742	1,846	1,948	6%
Processing Services	615	4%	640	665	685	700	715	730	3%
- Transaction Processing	615	4%	640	665	685	700	715	730	3%
Applications Software	410	10%	450	495	547	608	677	745	11%
- Mainframe	195	5%	205	215	223	230	236	241	3%
- Minicomputer	90	6%	95	100	104	108	111	114	4%
- Workstation/PC	125	20%	150	180	220	270	330	390	21%
Turnkey Systems	350	6%	371	393	414	434	454	473	5%
- Equipment	143	3%	147	152	157	162	167	171	3%
- Software Products	141	8%	152	163	173	183	193	203	6%
- Professional Services	66	9%	72	78	84	89	94	99	7%

Source: INPUT

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